

HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana

Component Unit Financial Statements
As of December 31, 2019 and for the Year Then Ended

HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana

Component Unit Financial Statements
As of and for the Year Ended December 31, 2019
With Supplemental Information Schedules

CONTENTS

	Statement\Schedule	Page
Review Report		1
Required Supplemental Information (Part A) Management's Discussion and Analysis		2
Government Wide Financial Statements:		
Statement of Net Position	A	4
Statement of Activities	B	5
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	6
Reconciliation of the Governmental Funds Balance Sheet To the Government-Wide Financial Statement of Position	C	6
Statement of Revenues, Expenses And Changes in Fund Balance	D	7
Reconciliation of the Statement of Revenues, Expenses, And Changes in Fund Balance of Governmental Funds To the Statement of Activities	D	8
Notes to the Financial Statements		9
Required Supplemental Information (Part B) Budget Comparison Schedule and Notes	1	16
<u>Other Supplemental Schedules</u>		
Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, Political Subdivision Head or Chief Executive Officer	2	18
<u>Compliance Reporting</u>		
Schedule of Findings and Questioned Costs	3	19
Schedule of Prior Year Findings	4	20
Louisiana Attestation Questionnaire		21-23

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners
Holly Ridge Fire Protection District.
Rayville, Louisiana

I have reviewed the accompanying financial statements of the governmental activities of the Holly Ridge Fire Protection District, a component unit of the Richland Parish Police Jury, as of December 31, 2019, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the District's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. I have not audited or reviewed such required supplementary information and, accordingly, I do not express an opinion, conclusion, nor provide any assurance on it.

To the Board of Commissioners
Holly Ridge Fire Protection District
Rayville, Louisiana

Other Supplementary Information

The other supplementary information is presented for purposes of additional analysis and also is not a required part of the basic financial statements. The information is the representation of management. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the other supplementary information and, accordingly, I do not express an opinion on such information.

Report on Agreed-Upon Procedures

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated March 9, 2020, on the results of the agreed-upon procedures.

Nancy M. Anad, CPA (ADPC)

West Monroe, Louisiana
March 9, 2020

**REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS**

HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Our discussion and analysis of the Holly Ridge Fire Protection District (the District) financial statements provides an overview of its activities for the year ended December 31, 2019. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector entities. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets and liabilities) measure the District's financial position. Increase or decreases in the District's net position are an indicator of whether its financial position is improving or not.

The District as a Whole

For the years ended December 31, 2019 and 2018, net position changed as follows:

	2019	2018
Beginning net position	\$ 517,432	\$ 481,900
Increase (decrease) in net position	57,289	35,532
Ending net position	\$ 574,721	\$ 517,432

The District's Funds

The following schedule presents a summary of revenues and expenses for the years ended December 31, 2019 and 2018:

Revenues	2019	Percent of Total	2018	Percent of Total
Parcel Fees	\$ 103,432	90.00%	\$ 93,184	87.00%
State Fire Insurance Rebate	9,263	8.00%	9,334	9.00%
Grants & Miscellaneous	2,002	2.00%	4,850	4.00%
Total Revenues	\$ 114,697	100.00%	\$107,368	100.00%

Expenditures	2019	Percent of Total	2018	Percent of Total
Public Safety-Fire Protection	\$ 57,408	100.00%	\$ 54,135	100.00%

BUDGETARY HIGHLIGHTS

The District's total revenues in 2019 were under the allowed 5% variance of the final budgeted revenue. Actual expenditures in 2019 did not exceed final budgeted expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2019, the District had \$991,426 invested in capital assets (\$314,080, net of accumulated depreciation) including machinery, equipment and vehicles.

Assets	12/31/2018	Additions	Disposals	12/31/19
Land	\$ 12,929			\$ 12,929
Vehicles	473,614			473,614
Buildings	183,465			183,465
Equipment	171,418			171,418
Total at Cost	841,426			841,426
Less: Accumulated Depreciation:				
Vehicles	(428,756)	(4,935)		(433,691)
Buildings	(110,933)	(561)		(111,494)
Equipment	(137,307)	(6,929)		(144,236)
Capital assets, net	\$ 164,430	\$ (12,425)	\$ 0	\$ 152,005

Debt

A down payment was made for a new pumper truck in 2019 for \$150,000, which is classified as a prepaid asset. Funds from a capital lease were placed into a savings account for the remaining balance due on the truck upon completion. The following is a summary of the loan:

December 31, 2018	\$ 0
Additions	<u>168,940</u>
December 31, 2019	<u>\$ 168,940</u>

The lease is for a period of 10 years with payments made annually in March.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's revenues are derived mainly from parcel fees and state fire insurance rebates and small grants. The District expects to receive approximately the same amount in grants for the coming year as was received in this year. The District must continue to monitor its limited resources to fit the needs of the citizens of Richland Parish and be aware of other funding opportunities that may present themselves.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the funds received by it. If you have any questions about this report or need additional financial information, contact: Lannie Thompson, 92 Williams Lane, Rayville, LA 71269.

COMPONENT UNIT FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS

HOLLY RIDGE FIRE PROTECTION DISTRICT
 RICHLAND PARISH POLICE JURY
 Rayville, Louisiana

Statement of Net Position

December 31, 2019

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$371,498
Receivables (net of allowances for uncollectibles)	70,497
Capital assets	152,005
 TOTAL ASSETS	 <u>594,000</u>
DEFERRED OUTFLOWS OF RESOURCES	
Prepaid Assets	150,000
LIABILITIES	
Accounts payable	\$339
General obligation bonds payable	<u>168,940</u>
 TOTAL LIABILITIES	 169,279
NET POSITION	
Net Investment in Capital Assets	152,005
Net Position - Unrestricted	422,716
 TOTAL NET POSITION	 <u><u>\$574,721</u></u>

HOLLY RIDGE FIRE PROTECTION DISTRICT
 RICHLAND PARISH POLICE JURY
 Rayville, Louisiana

Statement of Activities
 For the Year Ended December 31, 2019

	Program Revenues				Net (Expenses)/ Revenue	Net (Expenses) Revenues and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions		Governmental Activities	Business-type Activities	Total
Governmental Activities								
Public Safety	\$57,408	\$	\$	\$0	(\$57,408)	(\$57,408)	\$	(\$57,408)
Total Governmental Activities	\$57,408	\$0	\$0	\$0	(\$57,408)	(\$57,408)		(\$57,408)
Total Component Unit	\$57,408	\$0	\$0	\$0	(\$57,408)	(\$57,408)	\$	(\$57,408)

General Revenues:

Parcel Fees		103,432	103,432
2% Fire Insurance Rebate		9,263	9,263
Investment Earnings		2,002	2,002
Other General Revenues		0	0
Total General Revenues		114,697	114,697
Change in Net Position		57,289	57,289
Net Position-Beginning		517,432	517,432
Net Position-Ending		\$574,721	\$574,721

COMPONENT UNIT FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS

**HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana**

**Balance Sheet, Governmental Funds
December 31, 2019**

ASSETS

Current Assets

Cash and cash equivalents		\$371,498
Receivables (net of allowances for uncollectibles)		70,497
TOTAL ASSETS		\$441,995

LIABILITIES AND FUND BALANCES

Liabilities

Accounts payable		\$339
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Fund Balances

Unassigned		441,656
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TOTAL LIABILITIES AND FUND BALANCES		\$441,995
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**Reconciliation of the Balance Sheet of the Governmental Funds
To the Statement of Net Position:**

Fund Balance-total governmental funds		\$441,656
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:

Governmental capital assets	841,426	
Less accumulated depreciation	<u>(689,421)</u>	152,005

Liabilities, including capital leases are not due and payable in the current period and therefore are not reported in the governmental funds:

Long Term Liability		(168,940)
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The net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the funds.

		<u>150,000</u>
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Net position of governmental activities		<u>\$574,721</u>
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STATEMENT D

**HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana**

**Statement of Revenues, Expenses and
and Changes in Fund Balances
Governmental Funds**

For the Year Ended December 31, 2019

OPERATING REVENUE

Parcel fees	\$103,432
Intergovernmental revenues:	
Fire insurance rebate	9,263
Grant	0
Other general revenues	168,940
Total Operating Revenues	281,635

OPERATING EXPENSES

Dues and Subscriptions	361
Fuel	317
Insurance	18,843
Legal and Accounting	7,169
Refunds	0
Repairs and Maintenance	5,812
Supplies	7,734
Telephone & Internet	3,271
Uniforms	0
Utilities	1,476
Capital Outlay	150,000
Total Operating Expenses	194,983

OPERATING INCOME 86,652

NON-OPERATING REVENUES (EXPENSES)

Interest and Dividend Income	2,002
Total Non-Operating Revenues (Expenses)	2,002

CHANGE IN FUND BALANCE 88,654

FUND BALANCES, BEGINNING 353,002

FUND BALANCES, ENDING \$441,656

STATEMENT D

HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana

Reconciliation of the Statement of Revenues, Expenses, and
Changes in Fund Balance of Governmental Fund to the
Statement of Activities

For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds \$88,654

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets (prepaid assets)	150,000	
Less current year depreciation	<u>(12,425)</u>	137,575

The issuance of long-term debt provides financial resources of governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

(168,940)

Change in net position of governmental activities.

\$57,289

**HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

INTRODUCTION

Holly Ridge Fire Protection District (the District) was created by resolution of the Richland Parish Police Jury on September 1, 1987, for the purpose of purchasing and maintaining fire equipment and providing fire protection for the people included in the district according to boundaries set by Richland Parish Police Jury. The District is governed by a board of commissioners consisting of seven members. The Commissioners are appointed by the Richland Parish Police Jury and receive no compensation. The District has no employees.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a component unit of the Richland Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

Note 1 – Summary of Significant Accounting Policies

A. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Parcel Fees are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Parcel fees, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund. The District has no proprietary fund.

Private-sector standards of accounting and financial reporting issued prior to December 31, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for the business-type activities and enterprise funds, subject to the same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between government enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

C. CASH AND CASH EQUIVALENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the entity to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments for the District are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

D. RECEIVABLES AND PAYABLES

Parcel fees are levied on a calendar year basis and become delinquent on January 1 of each year. Parcel fees are \$100 per parcel of land. Delinquent parcel fees are considered fully collectible and therefore no allowance for uncollectible fees is provided.

E. CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No construction occurred during the current fiscal year.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	20 - 40 Years
Vehicles	5 - 15 Years
Equipment	5 - 15 Years

F. COMPENSATED ABSENCES

The District is operated by volunteers and therefore has no policy for compensated absences.

G. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. At December 31, 2019, the District had a lease purchase in the amount of \$168,940.

H. FUND EQUITY

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form-prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Commissioners-the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources-committed, assigned and unassigned-in order as needed.

I. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Stewardship, Compliance, and Accountability

Budget Information: Preliminary budgets for the ensuing year are prepared by the secretary-treasurer during November of each year. During December, the Board reviews the proposed budget and makes changes as it deems appropriate. The budget is then adopted during the December meeting. All annual appropriations lapse at year end. Encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted budget and no amendments for the year ended December 31, 2019.

Note 3 – Cash and Cash Equivalents

Custodial Credit Risk – deposits. The custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure there is no exposure to this risk is to require the financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Accordingly, the District had no custodial credit risk related to its deposits at December 31, 2019.

The District has cash and cash equivalents (book balances) totaling \$371,498 at December 31, 2019 as follows:

Demand Deposits	\$ 51,520
Savings	169,107
Certificate of Deposit	<u>150,871</u>
Total	<u>\$371,498</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance of the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 2019, are secured as follows:

	Non-Interest <u>Bearing</u>	Time and <u>Savings</u>
Bank Balances	\$131,101	\$319,978
FDIC Insurance-Non-Interest Bearing	250,000	
FDIC Insurance-Time & Savings		500,000
Uninsured Amount	<u>\$ 0</u>	<u>\$ 0</u>

The accounts are managed by the District's fiscal agent and consist of securities issued or guaranteed by the US government. Investments are in accordance with LRS 33:2955(A)(1)(e) and are not required to be covered by the pledge of securities owned by the fiscal agent bank.

Note 4 – Accounts Receivable

At December 31, 2019, the District's accounts receivable consisted of the following:

Parcel Fees Receivable \$70,497

Note 5 – Property, Plant and Equipment

Capital asset activity for the year ended December 31, 2019 and 2018 is as follows:

	12/31/2018 <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	12/31/2019 <u>Balance</u>
Non-Depreciable Assets:				
Land	\$ 12,929	\$	\$	\$ 12,929
Depreciable Assets:				
Buildings & Improvements	183,465			183,465
Vehicles	473,614			473,614
Equipment	<u>171,418</u>	-	-	<u>171,418</u>
Totals at Historical Cost	841,426	0	0	841,426
Less Accumulated Depreciation for:				
Buildings & Improvements	(110,933)	(561)		(111,494)
Vehicles	(428,756)	(4,935)		(433,691)
Equipment	<u>(137,307)</u>	<u>(6,929)</u>	0	<u>(144,236)</u>
Total Accumulated Depreciation	<u>(676,996)</u>	<u>(12,425)</u>	0	<u>(689,421)</u>
CAPITAL ASSETS, NET	<u>\$ 164,430</u>	<u>\$(12,425)</u>	<u>\$ 0</u>	<u>\$ 152,005</u>

Depreciation expense was \$12,425 in 2019. A down payment was made for a new pumper truck in 2019.

Note 6 – Debt

The following capital lease is being serviced by – Principle and Interest by the General Fund:

2019 Rosenbauer Pumper Tanker Fire Apparatus, Original financing of \$168,940 at 4.357% payable in 10 annual installments. A down payment of \$150,000, which is classified as a prepaid asset, was made in 2019 and the balance due (\$168,940) as the capital lease.

The following is a summary of debt transactions for 2019:

Payable at December 31, 2018	\$ 0
Additions	<u>168,940</u>
Payable at December 31, 2019	<u>\$168,940</u>

The annual requirements to maturity, including principle and interest, as of December 31, 2019, are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2020	\$13,841	\$7,361
2021	14,443	6,758
2022	15,072	6,128
2023	15,729	5,472
2024	16,414	4,786
2025-2029	<u>93,441</u>	<u>12,560</u>
Total	<u>\$168,940</u>	<u>\$43,065</u>

Note 7 – Subsequent Events

Subsequent events have been evaluated through March 13, 2020, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana
NOTES TO BUDGET COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2019

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer during the last quarter of each year. During November or December, the Board reviews the proposed budget and makes changes as it deems appropriate. The budget is then adopted at the last meeting prior to the end of the calendar year. All annual appropriations lapse at year end. Encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted budget and no amendments for the year ended December 31, 2019.

**HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget to Actual
General Fund
For the Year Ended December 31, 2019**

Required Supplemental Information

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with final budget Over (Under)
	Original	Final		
REVENUES				
Parcel fees	\$82,600	\$93,000	\$103,432	\$10,432
Intergovernmental revenues;				
Fire insurance rebates	9,500	9,300	9,263	(37)
Grants	0	0	0	0
Other general revenues	326,000	168,940	168,940	0
Interest and dividend earnings	500	500	2,002	1,502
Total Revenues	<u>418,600</u>	<u>271,740</u>	<u>283,637</u>	<u>11,897</u>
EXPENDITURES				
Dues and Subscriptions	400	500	361	139
Fuel	3,000	750	317	433
Insurance	27,000	27,000	18,843	8,157
Legal and Accounting	2,000	7,500	7,169	331
Refunds	0		0	0
Repairs and Maintenance	9,500	7,500	5,812	1,688
Supplies	5,700	8,700	7,734	966
Telephone	700	3,100	3,271	(171)
Uniforms	0	0	0	0
Utilities	2,500	1,700	1,476	224
Capital Outlay	326,000	326,000	150,000	176,000
Total Expenditures	<u>376,800</u>	<u>382,750</u>	<u>194,983</u>	<u>187,767</u>
Net Change in Fund Balance	41,800	(111,010)	88,654	199,664
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	<u>353,002</u>	<u>353,002</u>	<u>353,002</u>	<u>0</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>394,802</u>	<u>241,992</u>	<u>441,656</u>	<u>199,664</u>

OTHER SUPPLEMENTAL SCHEDULES

**HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
Rayville, Louisiana**

**Schedule of Compensation, Reimbursements, Benefits,
and Other Payments to Agency Head, Political Subdivision Head
or Chief Executive Officer
For the Year Ended December 31, 2019**

<u>NAME</u>	<u>Office</u>	<u>Director Fees*</u>	<u>Volunteer Per Diems**</u>	<u>Reimbursements***</u>
Bendel Clack	Chairman	0		
Lannie Thompson	Sec\Treas	0		
David Rawls	Director	0		
Gary Branch	Director	0		
Nathan Adcox	Director	0		
Brian Adcox	Director	0		
Dustin Simmons	Director	0		
Mitchell Stokes	Director	0		
Ricky Goodman	Fire Chief			1,220

*Directors receive no compensation or benefits for their services.

**No one receives Per Diems as of 12/31/19

***Reimbursements were for supplies and parts for trucks.

COMPLIANCE REPORTING

HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Section I - Financial Statement Findings

No findings were reported under this section.

HOLLY RIDGE FIRE PROTECTION DISTRICT
RICHLAND PARISH POLICE JURY
RAYVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

Section I - Financial Statement Findings

No findings were reported under this section.

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To The Board of Commissioners of the Holly Ridge Fire Protection District and
the Louisiana Legislative Auditor:

I have performed the procedures enumerated below, which were agreed to by the Holly Ridge Fire Protection District and the Louisiana Legislative Auditor (the specified parties), on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, I make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$154,450. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

One expenditure was made during the year for materials and supplies exceeding \$30,000, and no expenditures were made for public works exceeding \$154,450. No exceptions were noted.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provided me with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided me with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list provided by management for agreed-upon Procedure 3 appeared on the list provided by management for agreed-upon Procedure 2.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the original budget. Management represented that there was one amendment to the budget during the year.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

I traced adoption of the original budget to documentation in the minutes of the meeting of the District's commissioners held on November 26, 2019. Management represented that there was one amendment to the budget during the year.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues. Expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

- (b) Report whether the six disbursements were coded to the correct fund and general ledger account.

All of the disbursements were properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

The District's policies and procedures state that the chairman of the District's Board of Commissioners must approve all disbursements, with subsequent approval by the full board. Documentation supporting each of the six selected disbursements included the signature of the chairman of the Board of Commissioners. In addition, approval by the full commission for each of the disbursements was traced to the District's minute book.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. The District complied with this requirement.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

I scanned copies of all bank deposit slips for the fiscal year, and noted one deposit which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

I scanned payroll disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. I found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District's report was submitted timely.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management represented that the District entered into no contracts during the fiscal year that was subject to the public bid law.

Prior-Year Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

Because of the loan proceeds, this was the first year the entity required a review.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

West Monroe, Louisiana
March 9, 2020

David M. North, CPA (APAC)

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

Dear Chief Executive Officer:

Attached is the Louisiana Attestation Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of the review/attestation engagement of Louisiana government agencies. Upon completion, the questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. Independently elected governmental officials should sign the document, in lieu of such a resolution.

The completed attestation questionnaire and a copy of the adoption instrument, if appropriate, **must be given to the independent certified public accountant at the beginning of the engagement.** The CPA will, during the course of his engagement, perform certain agreed-upon procedures to the responses in the questionnaire. It is not necessary to return the questionnaire to my office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the CPA during the course of his engagement. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

March 9, 2020 (Date Transmitted)

David M. Hartt, CPA (APAC)
PO Box 1332
West Monroe, LA 71294

In connection with your review of our financial statements as of December 31, 2019 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of March 9, 2020

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [X] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [X] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

<u>Lavie Thompson</u>	Secretary	<u>3-10-20</u>	Date
<u>Lavie Thompson</u>	Treasurer	<u>3-10-20</u>	Date
<u>Bond Clark</u>	President	<u>3-10-20</u>	Date